



METROPOLITAN  
TRANSPORTATION  
COMMISSION

Joseph P. Bort MetroCenter  
101 Eighth Street  
Oakland, CA 94607-4700  
TEL 510.817.5700  
TTY/TDD 510.817.5769  
FAX 510.817.5848  
E-MAIL [info@mtc.ca.gov](mailto:info@mtc.ca.gov)  
WEB [www.mtc.ca.gov](http://www.mtc.ca.gov)

*Adrienne J. Tissier, Chair*  
San Mateo County

*Amy Rein Worth, Vice Chair*  
Cities of Contra Costa County

*Tom Azumbrado*  
U.S. Department of Housing  
and Urban Development

*Tom Bates*  
Cities of Alameda County

*David Campos*  
City and County of San Francisco

*Dave Cortese*  
Santa Clara County

*Bill Dodd*  
Napa County and Cities

*Dorene M. Giacomini*  
U.S. Department of Transportation

*Federal D. Glover*  
Contra Costa County

*Mark Green*  
Association of Bay Area Governments

*Scott Haggerty*  
Alameda County

*Anne W. Halsted*  
San Francisco Bay Conservation  
and Development Commission

*Steve Kinsey*  
Marin County and Cities

*Sam Liccardo*  
Cities of Santa Clara County

*Jake Mackenzie*  
Sonoma County and Cities

*Kevin Mullin*  
Cities of San Mateo County

*Bijan Sartipi*  
State Business, Transportation  
and Housing Agency

*James P. Spering*  
Solano County and Cities

*Scott Wiener*  
San Francisco Mayor's Appointee

*Steve Heminger*  
Executive Director

*Ann Flemer*  
Deputy Executive Director, Policy

*Andrew B. Fremier*  
Deputy Executive Director, Operations

## SELECT COMMITTEE TRANSIT SUSTAINABILITY PROJECT

Wednesday, January 25, 2012, 10:00 a.m.  
**or immediately following the Commission  
Meeting, whichever occurs later.**

Joseph P. Bort MetroCenter  
Lawrence D. Dahms Auditorium  
101 Eighth Street  
Oakland, California 94607

Chair: Bill Dodd  
Tom Bates  
Dave Cortese  
Federal Glover  
Scott Haggerty  
Steve Kinsey  
Jake Mackenzie  
Jim Spering  
Vacant

Ex-Officio: Adrienne Tissier \*\*\*  
Amy Rein-Worth\*\*\*

Ad Hoc: All Other Comm'rs.  
Staff Liaison: Alix Bockelman

**This meeting is scheduled to be audiocast live on MTC's Web site: [www.mtc.ca.gov](http://www.mtc.ca.gov).**

### AGENDA

1. Roll Call
2. Minutes of October 26, 2011 meeting Committee Approval
3. Project Update Information
4. Financial and Service Performance Information  
*Staff will present the draft performance approach for the financial and service elements of the project proposed to be forwarded to the Commission for approval in April 2012.*
5. Transit Performance Initiative Investment Proposal Committee Approval  
*Staff recommends the Committee support a call for projects pending final approval of the One Bay Area Grant.*
6. Next Steps  
*Staff will provide a brief overview of the remaining work plan and schedule leading to adoption of the Transit Sustainability Project in April 2012.*

## 7. Public Comment/Information/Next Meeting

The next meeting of the Select Committee is tentatively scheduled for February 22, 2012 in the Lawrence D. Dahms Auditorium, First Floor, 101 Eighth Street, Oakland, CA.

- \* Attachment sent to committee members, key staff and others as appropriate. Copies will be available at the meeting.
- \*\* All items on the agenda are subject to action and/or change by the Committee. Actions recommended by staff are subject to change by the Committee.
- \*\*\* The MTC chair and vice-chair are ex-officio voting members of all standing committees. A quorum of this committee shall be a majority of its regular non-ex-officio voting members (5).
- + Non-voting member.

Every member of the Commission who is not otherwise designated as a member of this committee is an ad hoc non-voting member. Although a quorum of the Commission may be in attendance at this meeting, the committee may take action only on those matters delegated to it. The committee may not take any action as the full Commission unless this meeting has been previously noticed as a Commission meeting.

The vote of an ex-officio member shall count to satisfy a committee quorum if there are not sufficient regular members of the Committee in attendance. In addition, an ad hoc non-voting committee member who is a voting member of the Commission may be designated by the committee chairperson as a voting member for this particular committee meeting if an additional voting member is needed for a committee quorum.

**Public Comment:** The public is encouraged to comment on agenda items at committee meetings by completing a request-to-speak card (available from staff) and passing it to the committee secretary or chairperson. Public comment may be limited by any of the procedures set forth in Section 3.09 of MTC's Procedures Manual (Resolution No. 1058, Revised) if, in the chair's judgment, it is necessary to maintain the orderly flow of business.

**Record of Meeting:** MTC meetings are tape-recorded. Copies of recordings are available at nominal charge, or recordings may be listened to at MTC offices by appointment. Audiocasts are maintained on MTC's Web site for public review for at least one month.

**Sign Language Interpreter or Reader:** If requested three (3) working days in advance, sign language interpreter or reader will be provided; for information on getting written materials in alternate formats call 510/817-5757.

**Transit Access to the MetroCenter:** BART to Lake Merritt Station. AC Transit buses: #11 from Piedmont or Montclair; #59 or #59A from Montclair; #62 from East or West Oakland; #88 from Berkeley. For transit information from other Bay Area destinations, call 511 or use the TakeTransit<sup>SM</sup> Trip Planner at to plan your trip.

**Parking at the MetroCenter:** Metered parking is available on the street. No public parking is provided at the MetroCenter. Spaces reserved for Commissioners are for the use of their stickered vehicles only; all other vehicles will be towed away.



METROPOLITAN  
TRANSPORTATION  
COMMISSION

Joseph P. Bort MetroCenter  
101 Eighth Street  
Oakland, CA 94607-4700  
TEL 510.817.5700  
TDD/TTY 510.817.5769  
FAX 510.817.5848  
E-MAIL [info@mtc.ca.gov](mailto:info@mtc.ca.gov)  
WEB [www.mtc.ca.gov](http://www.mtc.ca.gov)

## *Memorandum*

TO: Select Committee on Transit Sustainability

DATE: January 25, 2012

FR: Executive Director

W.I. 1517

RE: Transit Sustainability Project Update

The Transit Sustainability Project (TSP) is composed of three areas of technical analysis: financial, service and institutional. At your January 25<sup>th</sup> meeting, staff will provide a status report and present for your discussion and feedback the draft recommendations for an approach to establishing accountability for improving financial and service performance.

### **Background**

The TSP is being informed by significant consultation with the Project Steering Committee (PSC) and Technical Advisory Committees (TACs) focused on the financial, service and paratransit analysis. The PSC is composed of twenty one members and meets approximately every other month to provide executive-level input from the transportation agency, government, labor, business, environmental and equity perspectives throughout the course of the project. Material presented today to the Select Committee has been reviewed with the PSC.

In addition, staff has presented information about the TSP to the MTC Policy Advisory Council, as well as at multiple public events and forums sponsored by interested parties. Additional public outreach is underway in coordination with outreach for Plan Bay Area.

### **Financial and Service Performance**

At your meeting, we will discuss revisions to the initial approach presented at your October meeting. We continue to recommend an overall financial performance goal of a 10% reduction in operating cost per hour. In terms of service performance, we are recommending an investment and incentive approach. We will present both for your feedback, hold one more meeting to receive final Project Steering Committee input and present a final recommendation in a joint meeting of the Select and Project Steering Committees in February. The presentation on this item is attached.

### **Additional TSP Focus Areas**

The third and final element of the TSP, the institutional analysis, is underway. Recommendations will be presented in February incorporating the TSP financial and service work.

Additionally, at the sub-regional level, we are conducting more detailed analysis in the Inner East Bay (focusing on the overlapping service areas of AC Transit and BART). The Inner East Bay

analysis includes a comprehensive service and market review of AC Transit and BART service, an examination of opportunities to improve connectivity between the two systems, identification of gaps or duplication of service coverage, and resource requirements for service improvements.

**Schedule**

We propose to hold a joint TSP Select Committee/Project Steering Committee meeting in February, followed by a March release of draft recommendations for public comment of all three elements of the TSP work program: financial, service and institutional. We hope to present final project recommendations for Commission approval in April, prior to Commission action on the preferred Sustainable Community Strategy (SCS) in May. Specific meeting dates are still pending.

Milestone	Schedule
Update Select Committee/Approve Transit Performance Initiative	January 2012
Joint TSP Select Committee/Project Steering Committee	February 2012
Release Draft Recommendations for Public Comment	March 2012
Final Recommendations to the Select Committee and Full Commission	April 2012

  
\_\_\_\_\_  
Steve Heminger



METROPOLITAN  
TRANSPORTATION  
COMMISSION

Joseph P. Bort MetroCenter  
101 Eighth Street  
Oakland, CA 94607-4700  
TEL 510.817.5700  
TDD/TTY 510.817.5769  
FAX 510.817.5848  
E-MAIL [info@mtc.ca.gov](mailto:info@mtc.ca.gov)  
WEB [www.mtc.ca.gov](http://www.mtc.ca.gov)

## *Memorandum*

TO: Select Committee on Transit Sustainability

DATE: January 25, 2012

FR: Executive Director

W.I. 1517

RE: Transit Performance Initiative (TPI) Program – Major Bus and Light Rail Corridors

As part of the OneBayArea Grant program, staff has proposed an initial commitment of \$30 million to fund service improvements on major bus and light rail corridors. If successful in demonstrating achievement of operational and ridership goals, similar investments would be recommended in the future. The title and scope of this program is intended to evoke the Freeway Performance Initiative, which has resulted in major vehicle delay reductions on the region's highways.

### **Background**

The region's urban trunk network of major transit lines carries over half of the total ridership in the region and coincides with where the region is forecasting significant growth. This network includes both bus and light rail operations on heavily traveled, congested urban corridors. Attachments A and B illustrate that despite relatively slow operating speeds these routes nonetheless generate significant ridership. Staff is recommending a pilot program to fund low-cost capital improvements that improve operations and customer experience in this network. These improvements can be implemented quickly, as they build on existing transit agency programs to identify ways to improve service productivity.

### **Project Selection/ Eligibility**

Characteristics of Priority Corridors that are eligible for this program:

- 1) Urban trunk route with high ridership/passenger miles but below system average operating speed (under 15 mph)
- 2) Frequent service (15 minutes or better)
- 3) Selected corridor could be a route, a portion of a route, or a corridor where several services merge
- 4) Investment must result in improved operating speed or frequency using the existing fleet size, not by adding another bus to the route.
- 5) All projects must meet CMAQ eligibility and be able to provide the required 11.5% local match for these federal funds.

With the goal of investing in planned improvements that benefit the most passengers, staff recommends focusing the initial \$30 million on the largest bus and light rail systems with high ridership urban trunk routes: AC Transit, SFMTA, SamTrans, and VTA.

**Project Evaluation**

The following criteria would be used to evaluate proposals for the grant program.

- Timeliness of implementation and project management capacity
  - Priority given to projects that can be implemented within 12-24 months of grant award
- Cost-effectiveness and Performance Indicators
  - Travel time savings
  - Operating Cost Savings
- Priority given to corridors with more frequent service
- Project Readiness – Evidence of engineering and operational support from local jurisdictions (roadway owner-operators)

**Schedule**

Based on the evaluation of all projects and funding availability, the evaluation committee will forward a ranked list of projects to the Commission for approval in April.

Milestone	Schedule
Release Call for Projects	January 2012
Deadline for application submittal	March 2012
Recommend Pilot Program of Projects	April 2012
MTC Approval of TPI Pilot Program of Projects	April 2012
MTC Approval of OneBayArea Grant Program	May 2012

**Recommendation**

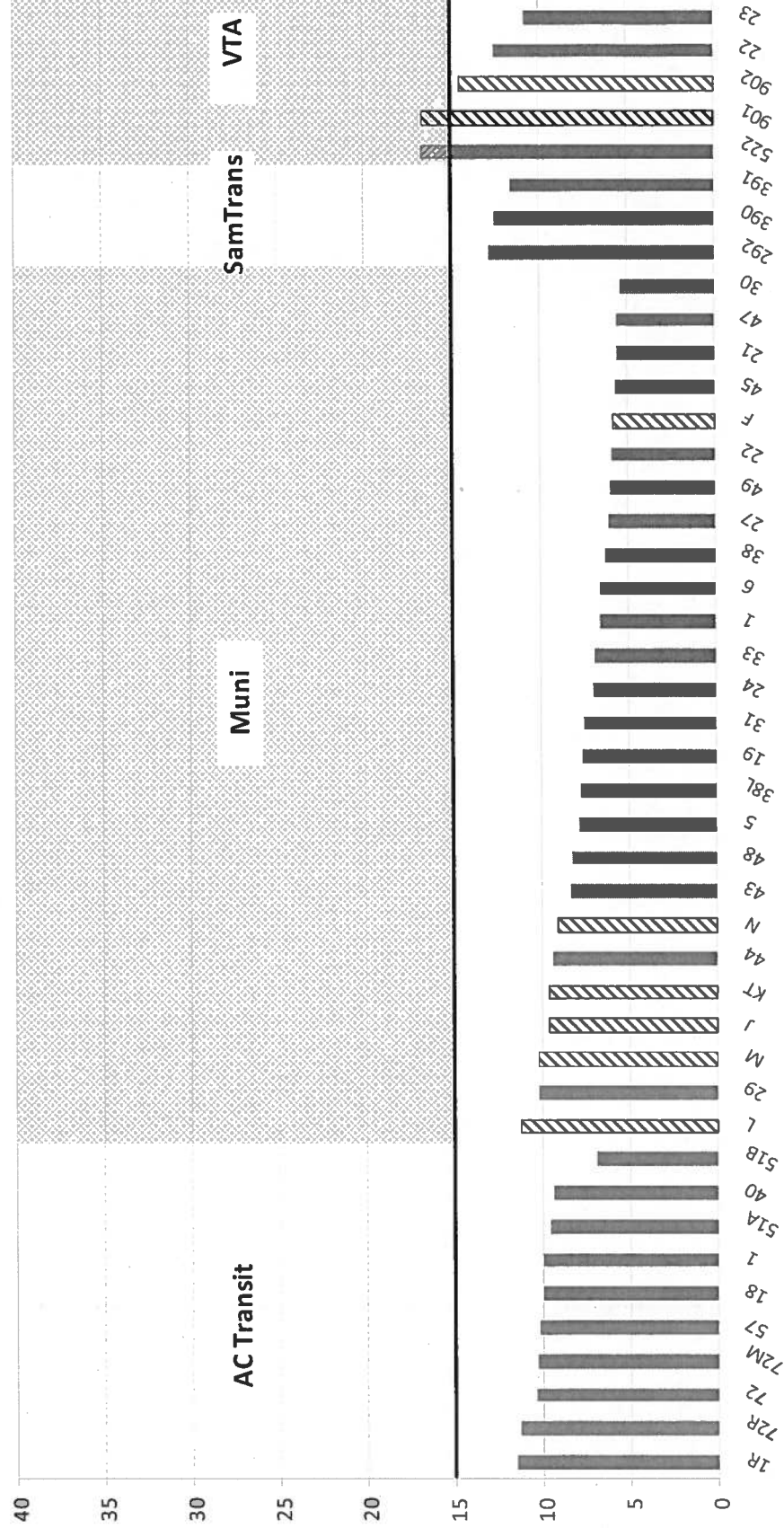
Staff recommends the Select Committee direct staff to issue a call for projects for the TPI Investment program with final adoption of the program subject to Commission approval.



---

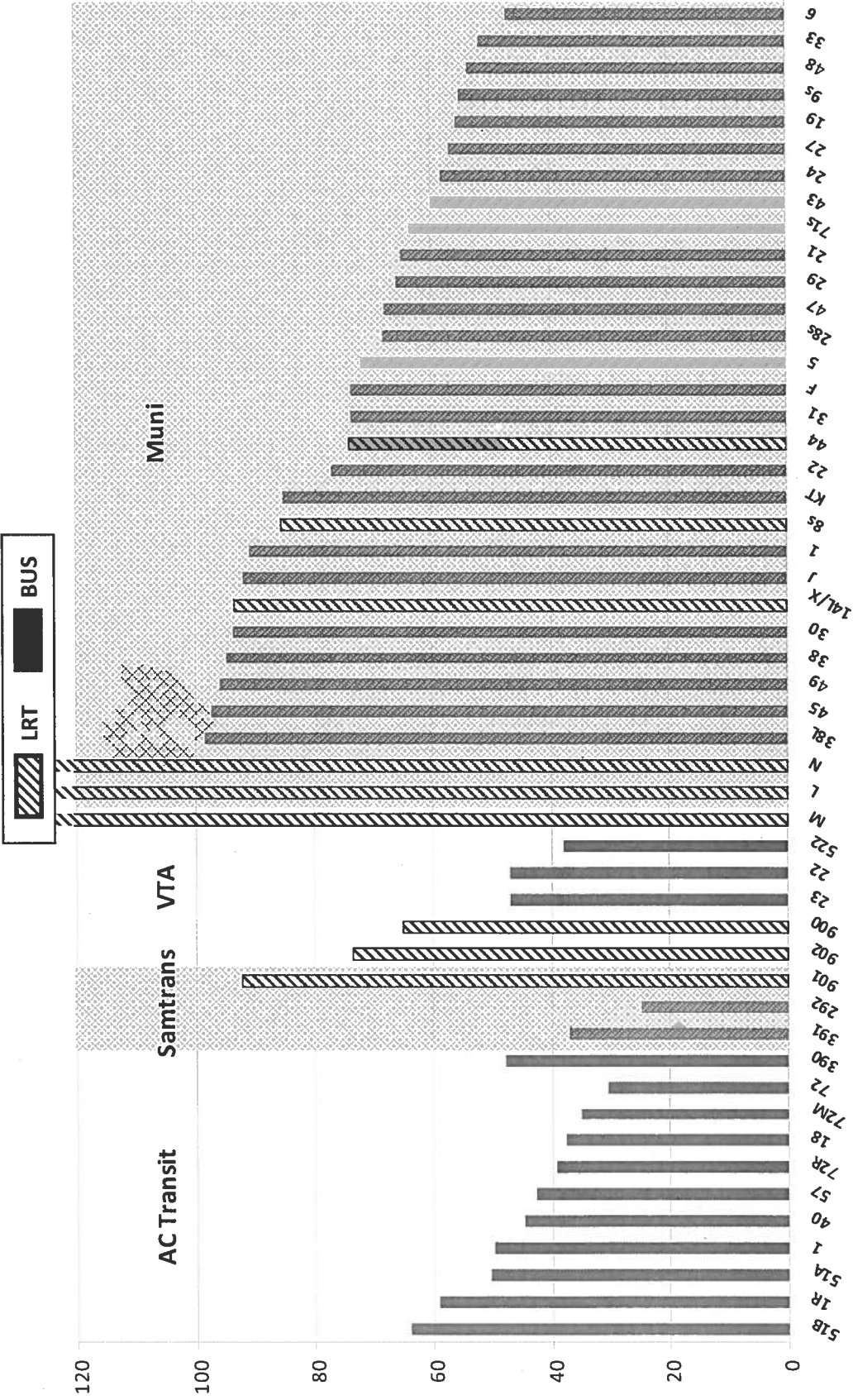
Steve Heminger

# Weekday Revenue Speed (mph) Urban Trunk (UT)

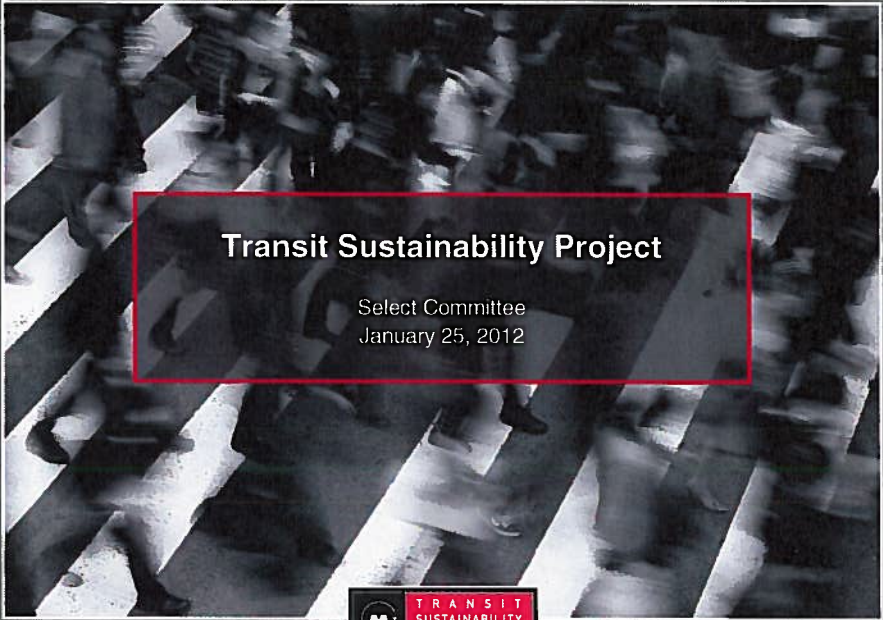


# Weekday Passenger Boardings per Revenue Hour

## Urban Trunk (UT)







## Transit Sustainability Project

Select Committee  
January 25, 2012



### Today's Agenda

- 1. Project Update and Schedule**
- 2. Financial and Service Performance**
- 3. Transit Performance Initiative Investment Program**



## Analysis to Date

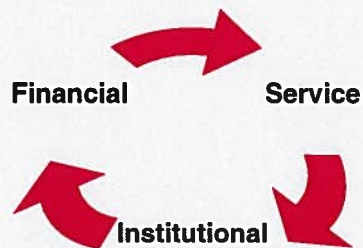
1. Financial
2. Service
3. Paratransit
4. Inner East Bay Comprehensive Service Analysis



3

## Project Overview

**Project Goal:** To identify the major challenges facing transit, confront them directly, and identify a path toward an efficient, affordable, well-funded transit system that more people will use.

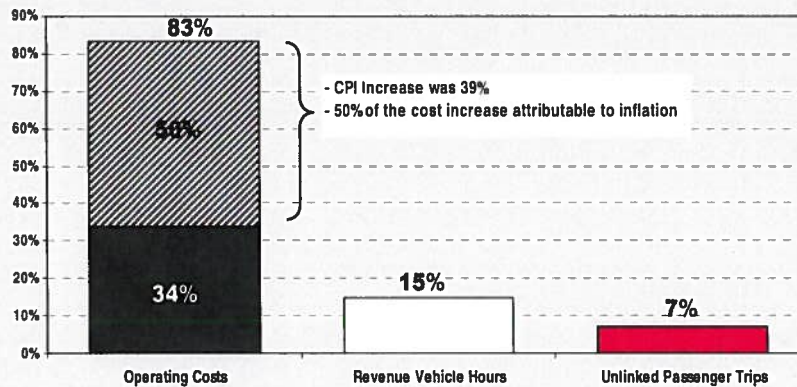


# Reform *and* Revenue



4

## Bay Area Large Operators: Percent Change in Cost and Performance Indicators (1997 – 2008)



Source: National Transit Database, "Big 7" only  
Excludes ferry, cable car and paratransit.



## What is a sustainable transit system?

- **Customer:** A system that functions as an accessible, user-friendly and coordinated network for transit riders, regardless of mode, location or jurisdiction.
- **Financial:** A system that can cover its operating and capital costs with a growing share of passenger fare revenues as well as reliable streams of public funding.
- **Environmental:** A system that can attract and accommodate new riders in an era of emission-reduction goals, and is supported through companion land use and pricing policies.



## Financial Performance

*Goal – Focused effort by transit agencies to contain costs.*



7

## Select Committee Direction – October 2011

- Focus financial targets on large agencies
- Continue working with small operators on service improvements/coordination



8



## Proposed Financial Metric

### Cost-Based

#### Financial

Cost per service hour

Big 7 Operators only

Reduce "real" operating cost by 10% per service hour within 5 years

- Financial targets would be set compared to the highest cost per hour experienced by each agency between 2008 and 2011. Note that 10% would include all savings from labor agreements since 2008.
- 10 percent is an aggressive but meaningful target, necessary to demonstrate to the public that costs are being managed.
- Project Steering Committee input included concerns that target may be unrealistic and may have a negative impact on service quality.



9

## Cost Containment Strategies

- Identified strategies to reduce operating costs
- Potential savings in each area varies significantly by agency; no one-size fits all solutions
- Potential annual regional savings if cost containment strategies applied regionally: **approximately \$235 million or 10 to 12% of annual operating costs**

Area	Findings/Strategies Identified	Potential Savings
Fringe Benefits	<ul style="list-style-type: none"> <li>Findings: Fringe benefits have increased significantly; accounts for 34% of operating costs</li> <li>Strategies: Two-tiered pension system, employee contributions, cap agency contribution to medical insurance, limit coverage options</li> </ul>	\$65 million
Work Rules and Business Model	<ul style="list-style-type: none"> <li>Findings: Premium pay data suggests further analysis could produce options for lowering operating costs</li> <li>Strategies: 40 hour weekly guarantee, minimize unnecessary layovers, some part time drivers, contract a portion of operations</li> </ul>	\$80 million
Administrative Staff Costs (subject to results of institutional analysis)	<ul style="list-style-type: none"> <li>Findings: Bay Area operators dedicate a higher percentage of operating budgets to administrative costs than peers;</li> <li>Strategies: Reduce percentage of costs going to administration to be in-line with peers</li> </ul>	\$90 million



10

## Targeted Strategies: Small Operators Coordination

### Strategy Areas

- Fare
- Capital & Service Planning
- Customer Service

### Coordination Opportunities

Uniform eligibility/fares for transfers, discounts  
County-based SRTPs/joint purchase requirements  
Joint call centers/marketing

Possible Coordination Concept	Milestone Timeframe		
	Short-Term (1-2 years)	Medium-Term (3-5 years)	Longer-Term (5+ years)
<b>Standard Fare Policy</b>			
A. Joint Fare Structure	X		
B. Clipper Roll-out		X	X
<b>County/Subarea SRTPs</b>	X		
<b>Joint Purchasing</b>	X	X	
<b>Joint Call Centers/Marketing</b>		X	

## Service Performance

*Goal – Improve customer experience and attract more passengers.*

## Approach: Transit Performance Initiative

- Uniform performance standards applied regionally are not practical
- As an alternative, implement an investment and incentive approach to achieve improved service performance
  1. Regional investment in supportive infrastructure to achieved performance improvements in major transit corridors
  2. Incentives: Reward agencies that achieve improvements in ridership and service productivity



13

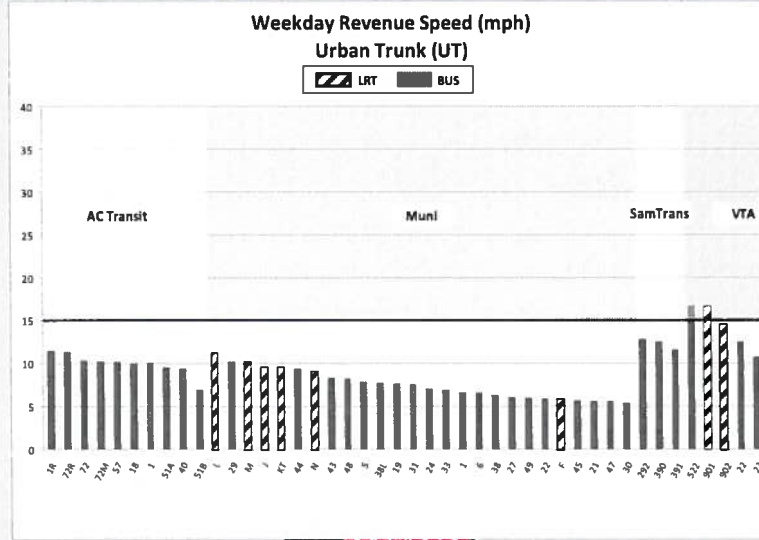
## Transit Performance Initiative – Investment

- Implement pilot program focused on transit supportive investments in major urban trunk corridors
  - Initial ~\$30 million capital proposed for OneBayArea Grant program
  - Implement several projects within 12 to 24 months and demonstrate value of additional investments in congested urban corridors
  - Approve the first program of projects in April 2012 with the TSP adoption
- Condition local streets and roads funding on local support for improving transit competitiveness on major corridors (OneBayArea Grants or other Plan Bay Area policies)
- Rescoped “Freeway Performance Initiative” proposed in Plan Bay Area includes funding for major arterials that can be used to support transit performance improvements

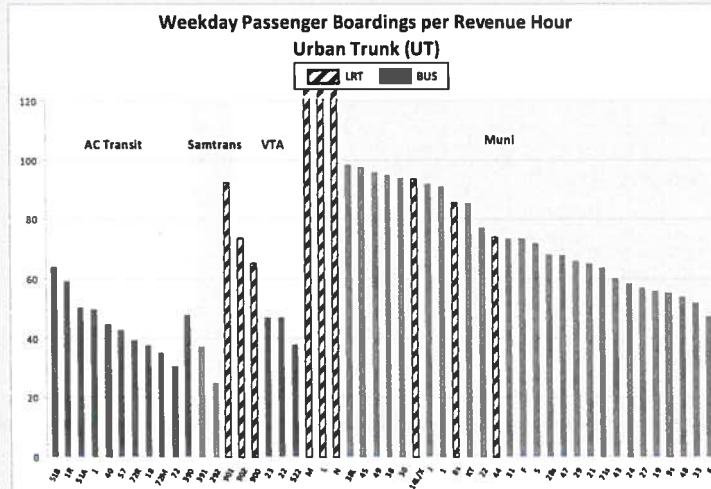


14

## Focus on Improving Customer Travel Times



## Focus on High Ridership Routes





## Eligible Projects

- Major Trunk Routes with high ridership/passenger miles
- Routes designed to run every 15 minutes or less
- Operating speeds currently below system average (under 15 mph)
- Investment must result in improved operating speed and/or frequency
- Staff recommends focusing initial \$30 million on the largest bus systems with high ridership urban trunks: AC Transit, SFMTA, SamTrans, and VTA that have adopted plans for these improvements but do not have funding to implement



17

## Proposed Evaluation Criteria

- Timeliness of Implementation and project management capacity –  
Priority for implementation within 12-24
- Cost-effectiveness and Performance Indicators  
Travel time savings  
Operating Cost Savings
- Priority given to corridors with more frequent service
- Project Readiness – Evidence of engineering and operational support from local jurisdictions (roadway owner/operators)



18

## Transit Performance Initiative Pilot Program

Milestone	Schedule
Release Call for Projects	January 2012
Deadline for application submittal	March 2012
Recommend Pilot Program of Projects	April 2012
MTC Approval of TPI Pilot Program of Projects	April 2012
MTC Approval of One Bay Area Grant Program	May 2012



19

## Next Steps

1. January 2012 – Issue Transit Performance Initiative Call for Projects
2. February 2012 – Joint Select/Project Steering Committee Meeting to discuss recommendations:
  - Financial Performance*
  - Service Performance*
  - Small Operators*
  - Institutional Analysis*
  - Paratransit*
3. March 2012 – Select Committee reviews Draft TSP Recommendations
4. April 2012 – Select Committee forwards final TSP recommendations to Commission for approval
5. April 25, 2012 – Commission adopts TSP recommendations



20